



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY

NOTICE OF SALE OF STUMPAGE ON STATE LANDS IN THE FOLLOWING AREA:
CLOQUET AREA

STATUS: COMPLETED
REGULAR AUCTION - SALE #3
ORAL BID

Notice is hereby given that I offered for sale at public auction in Carlton, MN at 9:00 AM on Thursday, December 15, 2016, timber belonging to the State of Minnesota. All tracts were offered at the Carlton County Land Department Building in Carlton, MN.

All of the timber offered was SFI and FSC certified.

The following pages list the lands upon which the timber was located, the estimated quantities of timber offered, the appraised prices, and the bid prices.



The resource management of the Minnesota DNR's state forests and wildlife management areas meets the objectives of the SFI ® program (Certificate No. NSF-SFI-FM-6Y921) and the principles of the FSC ® certification standard (Certificate No. SCS-FM/COC-00088N).

FSC
100%



MINNESOTA DEPARTMENT OF NATURAL RESOURCES
DIVISION OF FORESTRY
REGULAR AUCTION
ORAL BID TIMBER SALE
CLOQUET AREA

9:00 AM on December 15, 2016
Carlton County Land Department Building in Carlton, MN

TERMS OF SALE

- This auction sale will be held according to Minnesota Statutes Sections 90.101 and 90.14. Timber shall be offered and sold by the same unit of measure as it was appraised. Sale shall be made to the responsible bidder who bids the highest price for all timber species advertised for bidding on each tract. Bidding above the appraised price shall be by increments of one (1) percent or more. The percent bid up will be added to the appraised price of each species indicated as a bid species by a plus symbol (+) on the Notice of Sale. Any or all bids may be rejected and sales canceled for good and sufficient reasons.

REGISTRATION AND ELIGIBLE BIDDERS

- Interested persons must be registered at least four (4) business days prior to the auction by submitting an *Annual Timber Sales Purchaser Registration* form. No bid will be accepted from anyone having a delinquent timber sale or trespass account or a willful timber trespass with any public agency in Minnesota, or from anyone who does not qualify as a Responsible Bidder as defined in Minnesota Statutes § 90.01 (12), or from anyone who has been debarred for cause by any public agency [M.S. § 90.041 (11)].

DOWN PAYMENT

- Purchasers of timber must pay a down payment of fifteen (15) percent of the appraised value of the timber at the time the purchaser's bid is approved. The down payment will be kept on deposit by the State and applied against any billings for timber. The purchaser may elect to have the down payment refunded if they post security for one hundred (100) percent of the bid price of the timber (see Security Required). If the purchaser does not sign the permit document within 45 days of sale, the down payment will forfeit to the State. A permit signature extension of 10 business days may be granted, provided the purchaser pays a \$200 penalty.

BID GUARANTEE

- For any bid increase in excess of \$10,000 of the appraised price, a bid guarantee equal to fifteen (15) percent of the total bid price of the timber less the down payment amount is required at the time the permit is signed. If the bid guarantee is not submitted with the signed permit, the permit cancels, and the down payment forfeits to the State. If the permit holder fails to execute an effective permit, the bid guarantee payment forfeits to the State.

PURCHASER AND LOGGER QUALIFICATIONS AND OPERATIONS REQUIREMENTS

- The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the general industry safety standards for logging (e.g., LogSafe) adopted by the Commissioner of Labor and Industry and provide proof of compliance with these standards. The purchaser or the purchaser's agents, employees, subcontractors, and assigns conducting logging operations on a timber permit must comply with the State of Minnesota mandatory insurance requirements before harvest operations begin. A *Certification of Compliance with the Minnesota Workers' Compensation Law* form must be submitted each year. Before the start of harvest operations, the purchaser must certify that a designated foreperson, who will be supervising active logging operations, has a current certificate of completion from a logger education program (e.g., MLEP or FISTA) approved by the Commissioner of Natural Resources.

SECURITY REQUIRED

- The purchaser must furnish security equal to the total bid value of the permit, LESS the amount paid as a down payment and bid guarantee. Security can be furnished in the following forms: Corporate surety bond, Letter of Credit, certified check, cashier's check, personal check, money order, or by signing a Cutting Block Payment Agreement for individual cutting blocks, at least one business day prior to the start of any permit operations. If the purchaser elects to receive a refund of the down payment and bid guarantee, they must furnish security in a form described above, for one hundred (100) percent of the total bid value of the timber purchased. If the deferred cash payment for cutting blocks is selected, the down payment and bid guarantee WILL NOT be refunded. If the purchaser elects to secure a permit by prepayment of cutting block(s), they must make a written request on a form provided by the state. No harvesting is permitted until proper security has been furnished to and approved by the Commissioner of Natural Resources or his agent.

PERMIT TERMS

- A permit to harvest and remove the timber from state lands will be issued to the purchaser. NO permit shall be issued to anyone other than the purchaser in whose name the bid was made. All timber purchased on the permit must be harvested prior to the permit expiration date. All permits provide for the continuous identification of timber from the time of cutting until delivery to the consumer. Failure to continuously identify the timber as specified in the permit shall constitute trespass. Also, please note all harvest specifications on each tract being sold. Only one Regular Extension is permitted for exceptional circumstances. An annual interest rate of 5 percent may be charged on a regular extension for the period of the extension.

UNSOLD TRACTS

- On the next regular business day (8:00 AM - 4:30 PM, Monday - Friday, except holidays) after the date of the auction sale, unsold tracts may be available for over-the-counter purchase at the appraised price for a period of no more than one year. Unless canceled for reoffer at an earlier date, unsold tracts will be available until December 15, 2017, at the following Area Headquarters: Cloquet Area.

TRACT B1 COUNTY: CARLTON AREA: CLOQUET AREA ACRES: 161.2

Permit Number: B013488
Expiration Date: 05/31/2020

Purchased By: Sappi Cloquet LLC
Address: 20 N. 22nd Street, Cloquet, MN 55720

NENE,NWNE of Section 25; NENE,NESE,NESW,NWNE,NWSE,SENE,SENE,SESE,SWNE,SWSE of Section 24 - Township 49, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ ASPEN SPECIES	WOODSRUN CORDWOOD	3,275.00	Cd	21.64	70,871.00	21.64	70,871.00
+ MAPLE SPECIES	WOODSRUN CORDWOOD	445.00	Cd	10.20	4,539.00	10.20	4,539.00
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	290.00	Cd	12.24	3,549.60	12.24	3,549.60
+ RED OAK	WOODSRUN MIXED PRODUCTS	275.00	Cd	19.38	5,329.50	19.38	5,329.50
ASH	WOODSRUN CORDWOOD	35.00	Cd	5.95	208.25	5.95	208.25
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$84,497.35	BID TOTAL = \$	84,497.35
				ADVANCE PAYMENT =	\$12,674.60		

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 2,650.00 Tons 1.00 2,650.00

Mixed Species Description:

Aspen Species Woodsrun Cordwood includes: Balm of Gilead 1%; Largetooth Aspen 9%; Trembling Aspen 90%.
Maple Species Woodsrun Cordwood includes: Red Maple 25%; Sugar Maple 75%.

Mixed Product Description:

Paper Birch Woodsrun Mixed Products includes: Bolts 30%; Pulpwood 70%.
Red Oak Woodsrun Mixed Products includes: Bolts 60%; Pulpwood 40%.

Cutting and Felling:

- Harvest all aspen species, paper birch, maple species, and ash. Harvest all merchantable oak less than 10" DBH, as well as multi-stem/poorly formed oak greater than 10" DBH. Logger will work with TSA for guidance on red oak harvest.
- Reserve yellow marked trees. Also, reserve all non-merchantable tree species that do not interfere with harvest operations. Reserve single stem red oak greater than 10" DBH.

Season of Operations:

- No harvesting allowed during MN deer rifle season, except with written permission from State.

Slash Disposal:

- Biomass harvest is allowed on this permit. An Added Timber Agreement is required.

Sale Conditions:

- Permission to cross private land must be obtained by permittee.
- Best access is across private land. State land access will require a dry summer and additional road work.

Marketing Conditions:

Oak shelterwood comprises 40 acres with a harvest of approximately 50% of standing timber. In the greater extent of timber sale, approximately 130 acres, scattered individual reserves will only total 3-5 trees per acre. Some of the trails in the timber sale area are ski trails and should be kept free of slash and debris. Josh Muchow has a 2525 cord timber sale approximately 1/8th of a mile to the southwest on same auction. A KML or GPS shapefile is available upon request. The landowner with best access is willing to work with permittee on specifics regarding crossing their property. Potential bidders are encouraged to contact TSA for private access specifics.

Aspen average DBH 10", 5-6 sticks
Red maple average DBH 8", 3 sticks
Sugar maple Average DBH 10", 4 sticks
Birch average DBH 10", 4-5 sticks
Red oak average DBH 12-15", 5-6 sticks, 30% bolts and 30% logs
Ash average DBH 10", 3-4 sticks

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: +5%
Stand Density: +5%
Operational Constraints: -10%
Other Price Factor: 0%

Appraiser:

Craig David Ferguson

(Appraisal ID 12479-0; Cutting Block ID 14600-0)

TRACT B2 COUNTY: CARLTON AREA: CLOQUET AREA ACRES: 105.2

Permit Number: B013489
 Expiration Date: 05/31/2019

Purchased By: Sappi Cloquet LLC
 Address: 20 N. 22nd Street, Cloquet, MN 55720

NWNE of Section 30 - Township 49, Range 20W.
 NENW,NWNW,NWSE,SWSE of Section 14;
 NENE,NENW,NESE,NESW,NWNE,NWNW,NWSW,SWNW,SWSE,SWSW of Section 24 - Township 49,
 Range 21W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	2,505.00	Cd	16.26	40,731.30	16.26	40,731.30
+ PAPER BIRCH	WOODSRUN MIXED PRODUCTS	410.00	Cd	8.67	3,554.70	8.67	3,554.70
+ RED MAPLE	WOODSRUN MIXED PRODUCTS	215.00	Cd	8.16	1,754.40	8.16	1,754.40
ASH	WOODSRUN MIXED PRODUCTS	70.00	Cd	5.61	392.70	5.61	392.70
SPRUCE-BALSAM	WOODSRUN MIXED PRODUCTS	35.00	Cd	12.38	433.30	12.38	433.30
AMERICAN ELM	WOODSRUN CORDWOOD	5.00	Cd	2.55	12.75	2.55	12.75
RED OAK	WOODSRUN CORDWOOD	5.00	Cd	11.48	57.40	11.48	57.40

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$46,936.55
 ADVANCE PAYMENT = \$7,040.48
 BID TOTAL = \$ 46,936.55

Optional Timber (may be purchased with an Added Timber Agreement):

ANY LISTED SPECIES BIOMASS 1,910.00 Tons 0.75 1,432.50

Mixed Species Description:

Spruce-Balsam Woodsrun Mixed Products includes: Balsam Fir 65%; Black Spruce 15%; White Spruce 20%.

Mixed Product Description:

Ash Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
 Paper Birch Woodsrun Mixed Products includes: Bolts 20%; Pulpwood 80%.
 Red Maple Woodsrun Mixed Products includes: Bolts 10%; Pulpwood 90%.
 Spruce-Balsam Woodsrun Mixed Products includes: Bolts 25%; Pulpwood 75%.

Cutting and Felling:

- Harvest all listed merchantable species to required top diameters. Entire sale is within a sharptail grouse mgmt area and require utilization or knockdown of all snags where safety practical, and non-merch to at least 2" dbh.
- Reserve all oak within stands 142, 168, 172. Logger select reserve 6 birch seed trees/ acre (prefer clumps) with full crowns in stand 90. Also reserve all white pine and white cedar. In stands with the specified reserve trees this would be 3-9 trees/ acre.

Season of Operations:

- Conduct sale operations on frozen soil conditions only, except with written permission from State.
- Frozen ground access only.

Sale Conditions:

- Access is across county and state land.
- Provisions of access and /or water crossing permits will become part of sale terms and conditions for this sale.
- The Rosicky Rd access from the South is considered a private drive, however the State and its permit holders have an agreement to utilize the road as access.

Marketing Conditions:

Sale is located approximately 1.5 miles East of Cromwell, and 3 miles North on Rosicky Rd. Sale access may use Anderson Rd to the Northeast or Rosicky Rd to the Southeast.

Sale mostly utilizes natural boundary with paint lines indicated on map. Significant amounts of winter road freezing will be needed, mostly utilizing past winter roads. Carlton County would be willing to offer a small informal for timber adjacent to State timber. Carlton County is also setting up an auction sale to the North in section 13. Sale is located within a sharptail grouse mgmt area and therefore minimal reserves. At the time this permit was created it is not within an EAB quarantine. Contact Brian Schiller-Forest Tech @ 218-476-7020 with any permit questions.

Aspen avg DBH 10", 5 sticks
Paper birch avg DBH 12", 4-5 sticks
Maple avg DBH 10", 3-4 sticks

Price Adjustments:

Road Construction Costs: -10%
Haul Distance to Nearest Mill: +5%
Stand Density: +10%
Operational Constraints: -10%
Other Price Factor: -20% (Scattered sale sites)

Appraiser:

Brian Patrick Schiller

(Appraisal ID 12521-0; Cutting Block ID 14557-0)

TRACT B3

COUNTY: ST. LOUIS

AREA: CLOQUET AREA

ACRES: 31.2

Permit Number: B013490
Expiration Date: 05/31/2018

Purchased By:
Address:

UNSOLD

GL02, GL08 of Section 12; GL05, GL06 of Section 1 - Township 50, Range 21W.
GL02, GL03 of Section 7 - Township 50, Range 20W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID:	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ BLACK SPRUCE	WOODSRUN CORDWOOD	265.00	Cd	2.72	720.80	2.72	720.80
+ NORTHERN HARDWOODS	WOODSRUN CORDWOOD	195.00	Cd	1.72	335.40	1.72	335.40
+ TREMBLING ASPEN	WOODSRUN CORDWOOD	70.00	Cd	4.34	303.80	4.34	303.80
TAMARACK	WOODSRUN CORDWOOD	60.00	Cd	1.02	61.20	1.02	61.20
BALSAM FIR	WOODSRUN CORDWOOD	20.00	Cd	2.55	51.00	2.55	51.00
ANY LISTED SPECIES	BIOMASS	340.00	Tons	0.20	68.00	0.20	68.00

+ BID SPECIES * SOLD ON APPRAISED VOLUME

APPRAISED TOTAL = \$1,540.20 BID TOTAL = \$ 1,540.20
ADVANCE PAYMENT = \$231.03

Mixed Species Description:

Northern Hardwoods Woodsrun Cordwood includes: Ash 30%; Basswood 20%; Paper Birch 30%; Red Maple 20%.

Marketing Conditions:

Sale is located 6 miles South of Floodwood on Hwy 73, and 1 mile West on Rice Haven Road. Entire sale is located within Rice Haven WMA, therefore reserves are intended to be beneficial for cavity nesting waterfowl. Sale is approximately 50-70% affected by wind damage, black spruce mostly uprooted, other species are uprooted or have stem breakage. Sale utilizes some natural boundary and paint lines are indicated on map. Approximately 1 mile of winter road freezing will be needed, using existing winter roads. Sale discounted 80% due to salvage, stand density, operation constraint(winter), and access road construction. At the time this permit was created it was not within an EAB quarantine. Contact Brian Schiller-Forest Tech @ 218-476-7020 with any permit questions.

Black spruce avg DBH 7", 4 sticks
Tamarack avg DBH 8", 4-5 sticks
Aspen avg DBH 6-9", 3-5 sticks
Paper birch avg DBH 8", 4 sticks
Ash avg DBH 8", 4-5 sticks

Price Adjustments:

Road Construction Costs: -10%
Haul Distance to Nearest Mill: +5%
Stand Density: -5%
Operational Constraints: -10%
Other Price Factor: -60%

Appraiser:

Brian Patrick Schiller

TRACT B4 COUNTY: ST. LOUIS AREA: CLOQUET AREA ACRES: 27.0

Permit Number: B013491
Expiration Date: 05/31/2020

Purchased By: Potlatch Land & Lumber, LLC
Address: 50518 County Rd 45, Bemidji, MN 56601

NENE,NWNE of Section 27 - Township 55, Range 14W.

SPECIES	PRODUCT	VOLUME	UNIT	APPRAISED		BID %: 0	
				UNIT PRICE	\$ VALUE	UNIT PRICE	\$ VALUE
+ NORWAY PINE	WOODSRUN MIXED PRODUCTS	430.00	Cd	70.59	30,353.70	70.59	30,353.70
SPRUCE-BALSAM	WOODSRUN MIXED PRODUCTS	53.00	Cd	18.38	974.14	18.38	974.14
ANY LISTED SPECIES	BIOMASS	200.00	Tons	0.90	180.00	0.90	180.00
+ BID SPECIES * SOLD ON APPRAISED VOLUME				APPRAISED TOTAL =	\$31,507.84	BID TOTAL = \$	31,507.84
				ADVANCE PAYMENT =	\$4,726.18		

Mixed Species Description:

Spruce-Balsam Woodsrun Mixed Products includes: Balsam Fir 18%; White Spruce 82%.

Mixed Product Description:

Norway Pine Woodsrun Mixed Products includes: Bolts 43%; Pulpwood 1%; Sawtimber 56%.
Spruce-Balsam Woodsrun Mixed Products includes: Bolts 50%; Pulpwood 50%.

Cutting and Felling:

- Harvest all balsam fir and only trees with yellow paint.
- Reserve all white pine, red maple, and unmarked red pine that does not interfere with sale operations.

Season of Operations:

- Conduct sale operations on dry / frozen soil conditions only, except with written permission from State.
- Operate during non-rutting soil conditions. Refer to DNR rutting guidelines.

Sale Conditions:

- Access is across state land.
- This sale will expire on 05/31/2019.

Marketing Conditions:

This sale is located approximately 15 miles north of Island Lake Inn on County Hwy 4 then 1/4 mile east on access road.
Average red pine has a DBH of 13-15 and 2.5-3.5 logs tall.
Red pine also has roughly 50% sawtimber and 50% bolts.
Biomass is included in this sale.
Spruce/balsam mix has roughly 18% balsam.
TSA Dave Arras 218/723-4791 EXT 221

Price Adjustments:

Road Construction Costs: 0%
Haul Distance to Nearest Mill: 0%
Stand Density: -5%
Operational Constraints: -5%
Other Price Factor: 0%

Appraiser:

David W. Arras

Harvest specifications and additional information about each tract may be obtained upon request from the following
DNR Area Forestry Office:

CLOQUET AREA

The right is reserved to reject any and all bids.

For the Commissioner
MINNESOTA DEPARTMENT OF NATURAL RESOURCES

By: _____

Authorized Signature

Division Of Forestry

Dated: December 15, 2016

- SUMMARY SHEET -

12/15/2016 REGULAR AUCTION - SALE #3

COMPLETED - DATA AS OF 12/27/2017

CLOQUET AREA

SUMMARY FOR SOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	SOLD AVERAGE UNIT PRICE	TOTAL SOLD \$ VALUE
WOODSRUN MIXED PRODUCTS	ASH	70.00	Cd	5.61	392.70
	PAPER BIRCH	700.00	Cd	10.15	7,104.30
	RED MAPLE	215.00	Cd	8.16	1,754.40
	RED OAK	275.00	Cd	19.38	5,329.50
	NORWAY PINE	430.00	Cd	70.59	30,353.70
	SPRUCE-BALSAM	88.00	Cd	15.99	1,407.44
WOODSRUN CORDWOOD	ASH	35.00	Cd	5.95	208.25
	AMERICAN ELM	5.00	Cd	2.55	12.75
	ASPEN SPECIES	3,275.00	Cd	21.64	70,871.00
	TREMBLING ASPEN	2,505.00	Cd	16.26	40,731.30
	MAPLE SPECIES	445.00	Cd	10.20	4,539.00
	RED OAK	5.00	Cd	11.48	57.40
BIOMASS	ANY LISTED SPECIES (optional)	4,560.00	Tons	-	0.00
	ANY LISTED SPECIES	200.00	Tons	7.53	1,505.00

TOTAL SOLD TRACTS CONVERTED TO CORDS: 8,048.00
TOTAL APPRAISED DOLLAR VALUE OF SOLD TRACTS: \$ 162,941.74
TOTAL BID-UP DOLLAR VALUE OF SOLD TRACTS: \$ 164,266.74
TOTAL ACRES SOLD: 293.4
SOLD TRACT NUMBERS: 1, 2, 4
TOTAL NUMBER OF TRACTS SOLD: 3

SUMMARY FOR UNSOLD TRACTS

PRODUCT	SPECIES	TOTAL VOLUME	UNIT	APPRAISED AVERAGE UNIT PRICE	APPRAISED \$ VALUE
WOODSRUN CORDWOOD	TREMBLING ASPEN	70.00	Cd	4.34	303.80
	NORTHERN HARDWOODS	195.00	Cd	1.72	335.40
	BALSAM FIR	20.00	Cd	2.55	51.00
	BLACK SPRUCE	265.00	Cd	2.72	720.80
	TAMARACK	60.00	Cd	1.02	61.20
BIOMASS	ANY LISTED SPECIES	340.00	Tons	0.20	68.00

TOTAL UNSOLD TRACTS CONVERTED TO CORDS: 610.00
TOTAL APPRAISED DOLLAR VALUE OF UNSOLD TRACTS: \$ 1,540.20
TOTAL ACRES UNSOLD: 31.2
UNSOLD TRACT NUMBER: 3
TOTAL NUMBER OF TRACTS UNSOLD: 1